

MORIHARA LAU & FONG LLP

A LIMITED LIABILITY LAW PARTNERSHIP

May 10, 2010

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PUBLIC UTILITIES
COMMISSION

FILED

The Honorable Chairman and Members of
the Hawaii Public Utilities Commission
465 South King Street
Kekuanaoa Building, Room 103
Honolulu, Hawaii 96813
Attention: Michael Azama, Esq.

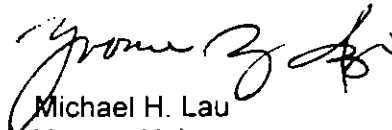
Re: Docket No. 2009-0048 – In the Matter of the Application of Molokai Public Utilities, Inc., for review and approval of rate increases; revised rate schedules; and revised rules: Updated Status of Mediation Efforts

Dear Commissioners and Commission Staff:

On May 6, 2010, the Commission was informed that Molokai Public Utilities, Inc. ("MPU") had reached full settlement of the outstanding rate case issues with the Division of Consumer Advocacy ("Consumer Advocate"). Subsequently, the parties to Docket No. 2009-0048 continued to attempt to settle their differences. However, we have not been successful, and, therefore, will be ready to commence with the evidentiary hearing tomorrow morning (April 11, 2010).

Inasmuch as MPU and the Consumer Advocate have resolved their differences with each other, MPU does not intend to cross examine the Consumer Advocate's witness, and the Consumer Advocate does not intend to cross examine MPU's witnesses.

Very truly yours,


Michael H. Lau
Yvonne Y. Izu

Morihara Lau & Fong LLP
Attorneys for Molokai Public Utilities, Inc.

cc: Consumer Advocate
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Mr. Peter Nicholas